TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 350 - HB 506

April 20, 2021

SUMMARY OF ORIGINAL BILL: Requires, beginning August 1, 2021, and by August 1 of each subsequent year, the head of each state department to file a report with chair of the State Government Committee of the House of Representatives and the chair of the State and Local Government Committee of the Senate detailing the number of preferred service employees affected by a reduction in force during the preceding year.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (007349): Deletes all language after the enacting clause. Enacts the Defense of Liberty Act (Act). Creates the Office of Solicitor General (SG). Requires the SG to be elected by a joint vote of both houses of the General Assembly, beginning at the start of the 112th General Assembly. Requires the Speaker of the House of Representatives and the Speaker of the Senate set the monthly income of the SG. Authorizes all employees under the Office of SG to be reimbursed for travel expenses. Establishes duties of such Office and authorizes the SG to join the Attorney General and Reporter (AG) with certain duties or carry out duties that the AG declines to carry out. Requires the AG to continue to carry out statutory duties. Sets an effective date of January 4, 2022 for all other purposes.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Exceeds \$1,115,900/FY21-22
Exceeds \$2,231,900/FY22-23 and Subsequent Years

Assumptions for the bill as amended:

- It is assumed that the salary of the SG will be equal to that of an associate justice of the Tennessee Supreme Court.
- An associate justice of the Tennessee Supreme Court has an annual salary of \$196,968 and receives annual benefits of approximately \$34,928.
- A recurring increase in state expenditures of \$231,896 (\$196,968 + \$34,928).
- The SG will be elected during the first 30 days of the second regular session of the 112th General Assembly; therefore, FY21-22 costs will be \$115,948 (\$231,896 x 50%).

- This office will hire staff attorneys, assistants and other personnel necessary to meet the requirements of this legislation.
- It is unknown how many additional positions would be required to meet such requirements, but it is reasonably assumed that additional personnel, along with necessary space, furniture, equipment, supplies and other additional expenses would result in a significant increase in recurring state expenditures in FY21-22.
- Such additional increase in expenditures, although unknown, is reasonably assumed to exceed \$2,000,000 annually.
- A total increase in state expenditures in FY21-22 exceeding \$1,115,948 [\$115,948 + (\$2,000,000 x 50%)].
- A total increase in state expenditures in FY22-23 and state expenditures exceeding \$2,231,896 (\$231,896 + \$2,000,000).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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